

RESOLUTION OF THE BOSTON REDEVELOPMENT AUTHORITY
RE: TENTATIVE DESIGNATION OF REDEVELOPER CONCERNING
DISPOSITION PARCEL 14A IN THE GOVERNMENT CENTER
URBAN RENEWAL AREA PROJECT NO. MASS. R-35

WHEREAS, the Boston Redevelopment Authority, hereinafter referred to as the "Authority" has entered into a contract for loan and capital grant with the Federal Government under Title I of the Housing Act of 1949, as amended, which contract provides for financial assistance in the hereinafter identified project; and

WHEREAS, the Urban Renewal Plan for the Government Center Urban Renewal Area, Project No. Mass. R-35, hereinafter referred to as the "Project Area," has been duly reviewed and approved in full compliance with local, state, and federal law; and

WHEREAS, the Authority is cognizant of the conditions that are imposed in the undertaking and the carrying out of urban renewal projects with Federal financing assistance under said Title I, including those prohibiting discrimination because of race, color, sex, religion, or national origin; and

WHEREAS, One Faneuil Hall Square Limited Partnership, Graham Gund and Grasshopper Associates Inc. general partners, and Charles G. Cronos Jr. and Graham Gund limited partners has expressed an interest in and has submitted a satisfactory proposal for the development of Disposition Parcel 14A in the Government Center Urban Renewal Area;

WHEREAS, the Authority is cognizant of Chapter 30, Section 61 and 62 of the Massachusetts General Laws, as amended, with respect to minimizing and preventing damage to the environment:

NOW, THEREFORE, BE IT RESOLVED BY THE BOSTON REDEVELOPMENT AUTHORITY:

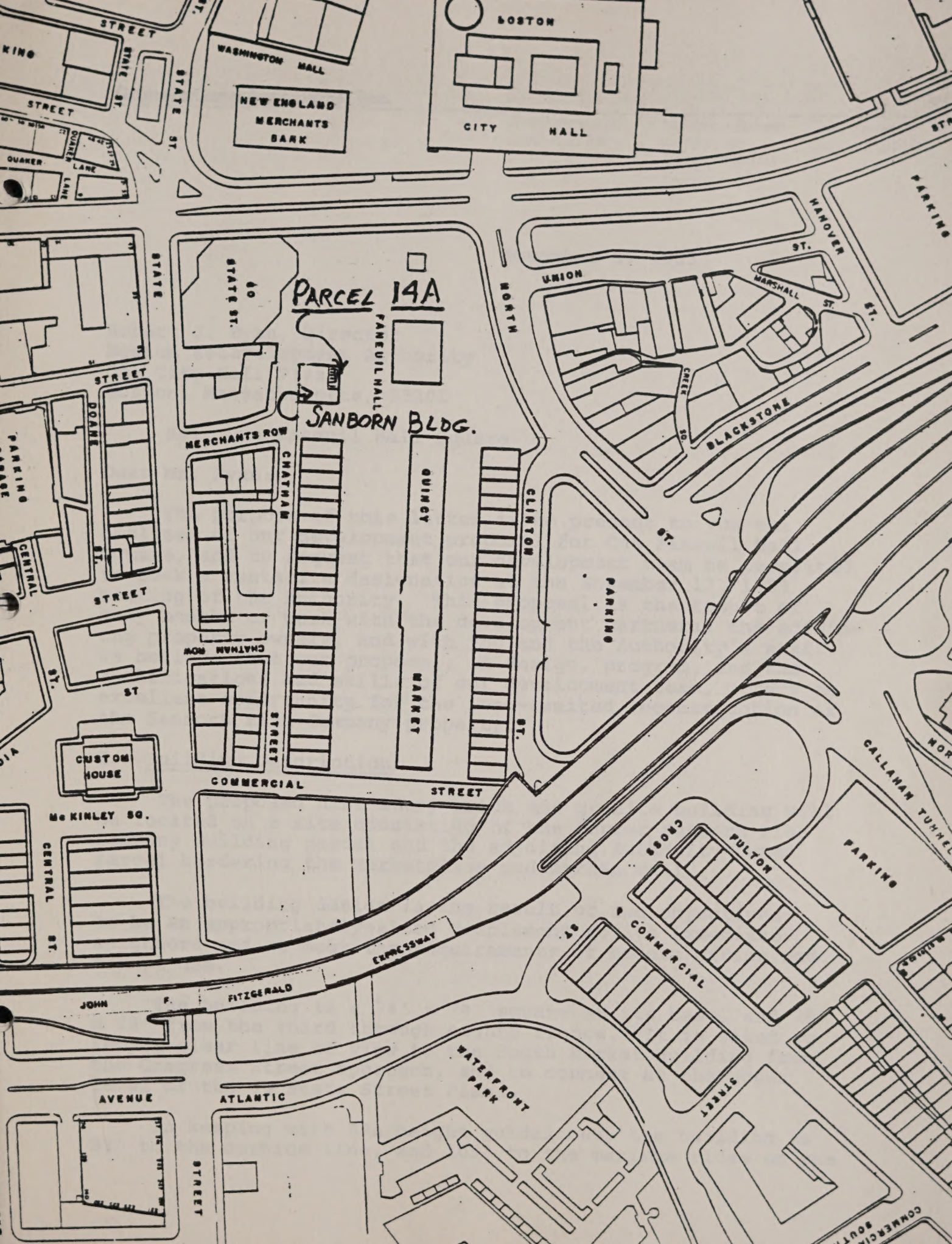
1. That One Faneuil Hall Square Limited Partnership, Graham Gund and Grasshopper Associates Inc. general partners, and Charles G. Cronos Jr. and Graham Gund limited partners be and hereby are tentatively designated as Redeveloper of Disposition Parcel 14A in the Government Center Urban Renewal Area subject to:
 - (a) Concurrence in the proposed disposal transaction by the Department of Housing and Urban Development,
 - (b) Publication of all public disclosure and issuance of all approvals required by the Massachusetts General Laws and Title I of the Housing Act of 1949, as amended;
 - (c) Formalizing the agreement between the parties that the substantial street improvements to Merchants Row, to be undertaken in connection with the Kilby Street Garage Project, will be completed so as to coordinate with the opening of Faneuil Hall square Building.

(d) Submission within one hundred eighty (180) days in a form satisfactory to the Authority of:

(i) Evidence of the availability of necessary financing for the project; and

(ii) Preliminary working drawings and outline specifications consistent with this designation and the controls of the Government Center Urban Renewal Plan.

2. That disposal of Parcel 14A by negotiation is the appropriate method of making the land available for redevelopment.
3. That it is hereby determined that One Faneuil Hall Square Limited Partnership, possess the qualifications and financial resources necessary to acquire and develop the land in accordance with the Urban Renewal Plan for the Area.
4. That it is hereby found and determined that the proposed development will not result in significant damage to or impairment of the environment and further, that all practicable and feasible means and measures have been taken and are being utilized to avoid or minimize damage to the environment.
5. That the Director is authorized to issue a license to One Faneuil Hall Square Limited Partnership, for early entry to the site for test borings and other related survey work prior to final designation.
6. That the Secretary is hereby authorized and directed to publish notice of the proposed disposal transaction in accordance with Section 105 (E) of the Housing Act of 1949, as amended, including information with respect to the "Redeveloper's Statement for Public Disclosure" (Federal Form H-60040).



STREET

BOSTON

WASHINGTON MALL

NEW ENGLAND
MERCHANTS
BANK

CITY HALL

STATE ST.

STATE ST.

STREET

QUAKER LANE

STATE ST.

PARCEL 14A

PANEUILL MALL

SANBORN BLDG.

MERCHANTS ROW

CHATHAM STREET

QUINCY

MARKET

CLINTON STREET

PARKING

BLACKSTONE

HANOVER ST.

ST.

STREET

DOANE ST.

STREET

ST.

CUSTOM HOUSE

Mc KINLEY SQ.

CENTRAL ST.

COMMERCIAL STREET

STREET

EXPRESSWAY

FITZGERALD

JOHN F.

AVENUE

ATLANTIC

WATERFRONT PARK

CROSS

PULTON

PARKING

COMMERCIAL

STREET

CALLAHAN TUNNEL

NOR

COMMERCIAL

SOUTH

Graham Gund Associates, Inc.

Architects and
urban planners

12 Arrow Street
Cambridge
Massachusetts
02128

Telephone
617-631-0910

November 8, 1983

Robert J. Ryan, Director
Boston Redevelopment Authority
One City Hall Plaza
Boston, Massachusetts 02201

Re: One Faneuil Hall Square

Dear Mr. Ryan:

The purpose of this letter is to present to you the outlines of our development proposal for One Faneuil Hall Square, and to request that our development team be permitted to seek a tentative designation at the November 17, 1983 meeting of the Authority. This proposal is the result of many months of work with the development partners, the adjoining property owners, and with you and the Authority's staff. We believe that our proposal, in design, program, and the qualifications and skills of our development team, offers an excellent opportunity for the long-awaited reconstruction of the Sanborn Fish Company property.

I. Building Description

The proposed nine-story brick and granite building will be located on a site consisting of the former Sanborn Fish Company building parcel and the adjoining Authority-owned parcel bordering the Marketplace pedestrian mall.

The building design is the result of two objectives: to be an appropriately-sized complement to its immediate neighbors and to meet the requirements of modern office and retail use.

The building is a 74' x 74' square at its base, and 78' x 78' from the third through eighth floors. It is sited to keep a clear line of view to the South Market Building from the Congress Street approach, and to connect at the upper level of the 60 State Street Plaza.

In keeping with BRA height guidelines, the building is 83' to the cornice line, and 105' to the maximum ridge on the

Robert J. Ryan, Director
November 8, 1983
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roof. These dimensions correspond to key dimensions of the cupola and tower of Faneuil Hall. There are eight floors within the building's main section, plus a below grade basement. There is a ninth floor duplex mezzanine contained within the roof. All mechanical equipment will be contained in the basement or in enclosed, finished penthouses integrated into the roof form. The building will contain approximately 62,000 gross square feet.

The proposed building materials include: granite at the lower floor, forming a base; brick and cut stone from the second through eighth floors to the cornice line; and a slate roof. The windows include some arched openings and the frames will be steel.

As you know, we have met continually over the last eight months with your staff and that of the Boston Landmarks Commission to review the design. We have made several revisions to the design in response to these discussions, including adjustments to the cornice and roof heights, the slope of the roof, the size, shape, and number of windows, the materials, and the patterning in the facade design. The result of this review achieves our mutual goals of a design which complements both its historic and modern neighbors in a building of highest possible quality.

II. Program of Building Uses

One Faneuil Hall Square will include 7,500 square feet of retail space located at the street and basement levels. We expect to lease these areas to first-class operators, consistent with the tenant mix in the Faneuil Hall Marketplace.

The building will also include 45,000 square feet of first-class office space located on the second through ninth floors. This space is expected to appeal to professional firms desiring a prestige address, strategic location, distinctive image, and highest quality construction.

Rentals are projected to be in the range of \$29-\$32 per square foot for the office space and \$45 per square foot for the retail.

Robert J. Ryan, Director
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III. The Development Team

Charles G. Crones, Jr., President of Sanborn Fish Company, is the owner of the privately held portion of the development site, and was previously a participant in the original development team designated by the Boston Redevelopment Authority. Roger Webb of Architectural Conservation Trust, the other member of the original team, withdrew from participation after the Sanborn building fire brought a halt to the original development plans.

Mr. Crones has now entered into a new partnership with Gund Development Corporation (GDC), a development company formed by Graham Gund. The principal officers of GDC are Graham Gund, President, and Peter E. Madsen, Vice President. Graham Gund Associates will be architect.

Gund Development and associated entities have a long track record of successful projects in the Boston area. Our development practice is oriented towards unique and challenging urban opportunities, and is conducted with the highest commitment to environmental quality. Our diversified development experience includes over \$50 million in residential, commercial, and hotel ventures, both in new construction and extensive renovations. We have completed every project we have undertaken; each has won recognition for innovativeness and has been a market success. These include Old City Hall, Hyatt Regency Cambridge Hotel, Church Court Condominium, the School-House Condominium, and Bulfinch Square, an office facility.

Graham Gund Associates, Inc. a professional corporation practicing architecture and urban planning, has achieved a national reputation for imaginative and resourceful design. Over the last ten years the firm has completed award-winning projects from single-family homes to hotels, from barns to museums, from commercial offices to institutional facilities. In addition to acting as architect and planner for all Gund development projects, the firm's experience includes work for many individual, corporate, and institutional clients. The firm's designs have won wide acclaim and include the Institute of Contemporary Art, Wentworth-by-the-Sea Hotel, Norwalk Maritime Center, and Carroll Center for the Blind.

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IV. Project Costs and Financing

Total project cost at One Faneuil Hall Square will be approximately \$9.3 million, including land, site work, construction, and indirect costs. Of this, approximately \$7.6 million will be conventional debt. Chemical Bank has expressed firm interest in providing construction financing which will stand for three years and be renewable on an annual basis thereafter and are willing to make commitments therefor. We will place our permanent financing at attractive terms sometime during this period. The remaining \$1.7 million of project cost will be equity provided by Gund Development.

All necessary accommodations with the abutting property owners are now in the process of resolution. Discussions are proceeding very well with Northland, owners of 84 State Street, Cabot, Cabot and Forbes, owners of 60 State Street, and with Faneuil Hall Marketplace, Inc., operators of the Faneuil Hall markets, and final agreements for all necessary easements and other matters will be in place before a final designation is sought.

V. Public Benefits and Amenities

One Faneuil Hall Square will produce several significant public benefits. Since 1978, the ruin of the Old Sanborn Building has been a continuing blight on the Faneuil Hall Marketplace, Boston's showplace and prime tourist and shopping attraction. Our project will replace this eyesore with a small but distinguished building which has been carefully designed to complement the Marketplace buildings and Faneuil Hall itself.

The project will return the property to the city's tax rolls. We seek no tax agreement or public subsidy of any kind in this proposal. One Faneuil Hall Square will generate approximately \$270,000 per year in real estate taxes.

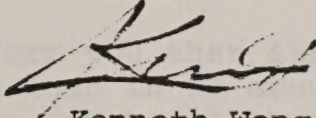
In conclusion, we believe that our development proposal offers a highly skilled and capable development team, a distinguished building design, and a program that will assure

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the success of this very visible and important site. We are anxious to proceed with this project, and we would therefore appreciate an opportunity to appear before the Authority to request a renewal of its previous designation of Mr. Cronos together with his new development partners.

Sincerely,

GRAHAM GUND ASSOCIATES, INC.



Kenneth Wong
Development Coordinator

kw/dav

CHEMICALBANK

Real Estate Division
633 Third Avenue, New York, NY 10087
Tel: (212) 878-7576

John C. Collins
Vice President

December 12, 1983

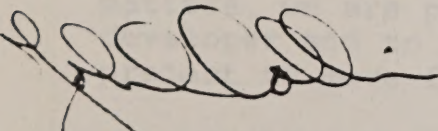
Mr. Graham Gund
Graham Gund Associates, Inc.
12 Arrow Street
Cambridge, Massachusetts 02138

Dear Mr. Gund:

Chemical Bank is pleased to inform you that its Credit Committee has approved your request for a loan in an amount up to \$8,600,000, to construct a nine-story office and retail building of approximately 62,000 gross square feet on the site of the old Sanborn building at One Faneuil Hall Square in downtown Boston. A term sheet outlining the principal business terms of the proposed transaction is attached. As you are aware, we are sending this letter in order to enable you to show evidence of construction financing in order to proceed with public approvals, designation and other planning matters. It is not intended to substitute for our standard commitment letter, which we expect to issue within a few days, and which will more exhaustively detail the loan terms, documentation requirements, and the like.

Thank you for giving Chemical the opportunity to do this financing. We look forward to working with you and your organization toward the successful conclusion of the project.

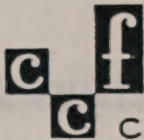
Yours truly,



John C. Collins

JCC:jg

cc: Stephen Cea, Esq.



CABOT, CABOT & FORBES CO.

SIXTY STATE STREET, BOSTON, MASSACHUSETTS 02109

AREA
CODE 617 722-8337

CHARLES N. FAVAZZO
SENIOR VICE PRESIDENT

December 13, 1983

Mr. Robert Ryan, Director
Boston Redevelopment Authority
City Hall, Room 925
One City Hall Plaza
Boston, MA

RE: One Faneuil Hall Square

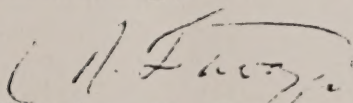
Dear Mr. Ryan:

We are writing to express our support for the proposed development of One Faneuil Hall Square on the old Sanborn Fish Building site, and for the redesignation of Charles G. Crones and his new development partner, Graham Gund, as developers. Over the past several months we have been reviewing the developer's plans and are very pleased that this site will be returned to active use in a truly first class manner.

As you may know, we hold through a private ground lease certain strips of land which are proposed to be consolidated with the Crones parcel into the development site. We are also beneficiary of a deed restriction on height on the site. Subject to reaching mutually satisfactory business terms, and satisfaction of customary zoning, title, and other legal matters, we are prepared to make this land available to the developer and to revise the deed restriction to allow the project to move forward.

We hope the Authority will look favorably upon the developer's request for redesignation for the site and look forward to its successful redevelopment.

Sincerely,


Charles N. Favazzo

CNF/cb

Northland

2150 Washington Street
Newton, Massachusetts 02162
(617) 965-7100

December 9, 1983

Mr. Robert Ryan, Director
Boston Redevelopment Authority
City Hall, Room 925
One City Hall Square
Boston, MA 02201

Re: One Faneuil Hall Square

Dear Mr. Ryan:

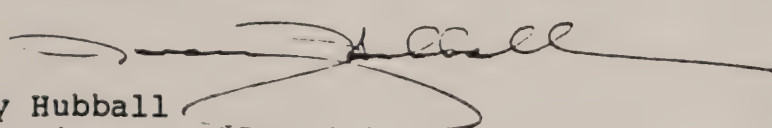
We are writing to express our support for the proposed development of One Faneuil Hall Square on the old Sanborn Fish Building site, and for the redesignation of Charles G. Crones and his new partner, Graham Gund, as developers. Over the past several months we have been reviewing the developer's plans and are very pleased that this site will be returned to active use in a truly first class manner.

As you may know, we hold a deed restriction on height over the development site. Subject to the satisfaction of customary title and legal requirements, and to other understandings between us and the developers, we are prepared to revise this deed restriction to allow the project to move forward.

We hope the Authority will look favorably upon the developer's request for redesignation for the site and look forward to its successful redevelopment.

Sincerely,

84 STATE STREET ASSOCIATES
Northland Realty Corporation, General Partner



Jeremy Hubball
Senior Vice President

jh/k

Faneuil Hall Marketplace

December 12, 1983

Mr. Robert Ryan, Director
Boston Redevelopment Authority
City Hall, Room 925
One City Hall Plaza
Boston, MA 02201

RE: One Faneuil Hall Square

Dear Mr. Ryan:

We are writing to express our support for the proposed development of One Faneuil Hall Square on the old Sanborn Fish Building site, and for the redesignation of Charles G. Crones and his new partner, Grahon Gund, as developers.

As you know, we hold, through a ground lease with the Authority, certain strips of land which are proposed to be consolidated with the Crones parcel into the development site. Subject to reaching agreement on a number of business and operational issues, and satisfaction of customary zoning, title and other legal matters, we are prepared to make this land available to the developer to allow the project to move forward.

We hope the Authority will look favorably upon the developer's request for redesignation for the site and look forward to its successful redevelopment.

Sincerely,

JAMES B. McLEAN, JR.

James B. McLean, Jr.
Vice President/General Manager

JBM/eja

cc: Nancy Everett

MEMORANDUM

DECEMBER 28, 1983

TO: BOSTON REDEVELOPMENT AUTHORITY

FROM: ROBERT J. RYAN, DIRECTOR 4399

SUBJECT: GOVERNMENT CENTER PROJECT, MASS. R-35
TENTATIVE DESIGNATION OF ONE FANEUIL HALL SQUARE LIMITED
PARTNERSHIP AS REDEVELOPER OF PARCEL 14A

As you will recall, the Sanborn Building was under rehabilitation when it was destroyed by fire on Thanksgiving Eve a few years back. The development was proceeding, at that time, with Mr. Charles G. Crones, Jr., President of Sanborn Fish Company and Mr. Roger Webb of Architectural Heritage.

Subsequent to the fire, and at the request of the developers, the Authority rescinded the designation and rescinded the corresponding 121A agreement that related to the property. Mr. Webb divested himself of any interest in the property at that time. Mr. Charles G. Crones, Jr. continued to seek resolution of the difficult development issues relating to this site. He has now formed a partnership with Graham Gund of Graham Gund Associates to undertake this long-awaited redevelopment of the Sanborn Building site.

The new development team, with Graham Gund Associates as architect, has proposed a limited, nine-story brick and granite building which is designed to complement the surrounding historic structures. The building footprint is so limited that it will provide for only 7,500 square feet per floor. The design has been thoroughly reviewed and approved by both the Boston Society of Architects and the Landmarks Commission, as well as the Authority's design staff.

Parcel 14A is a small vacant land parcel of 876 square feet, located at 6 Faneuil Hall Square and abutting the Sanborn Building. The developer's proposal would incorporate Parcel 14A into his plans for rebuilding the Sanborn Building.

The uses of the new building will include 7,500 square feet of first-class retail space on the street and basement levels and 45,000 square feet of office space designed for professional firms.

DECEMBER 28, 1983

The parties agree that the substantial street improvements to Merchants Row, to be undertaken in connection with the Kilby Street Garage Project, in which Mr. Gund is also participating, will be completed so as to coordinate with the opening of Faneuil Hall Square Building.

The total project cost will be approximately \$9,300,000, to be financed by Chemical Bank of New York and by equity contributions of the partners. A copy of a letter from Chemical Bank, evidencing its loan approval is attached.

The site will include certain strip parcels which will be made available to the developer by the abutters. Agreements have been reached for this purpose with Cabot, Cabot & Forbes Co.; Northland Realty Corp.; and Faneuil Hall Marketplace, Inc.; subject to conclusion of final business, legal, and title matters.

Approval of this development proposal will replace the existing burned remnants of the old structure with a distinguished building to complement the Faneuil Hall and Quincy Market area and will restore this site to the city's tax rolls.

